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Control No. 2260 EIC-M-101 27 August 1963

#### ECONOMIC INTELLIGENCE COMMITTEE

Minutes of Meeting Held in Room 4 F 31, CIA Headquarters Building

27 August 1963, at 1000 hours

### PRESENT:

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Dr. Otto E. Guthe, CIA, Chairman

CIA, Vice Chairman

Morris H. Crawford, Department of State Defense Intelligence Agency

CDR. William D. Robertson, Department of the Navy

, National Security Agency

Lawrence E. Brice, Jr., Department of the Navy William C. Andrews, Department of the Army

Dr. Edward R. VanSant, Office of the Assistant Secretary of Defense, International Security Affairs

Jerome Forrest, Agency for International Development

Fred F. Pirhalla, Department of Commerce

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CIA, Executive Secretary

#### INTRODUCTIONS:

The Chairman introduced CDR. Robertson, Department of the Navy representative, who was attending his first EIC meeting; Mr. Andrews, recently designated Department of the Army representative to the Committee; and Mr. Pirhalla, who was representing the Department of Commerce in the absence of the regular member.

GROUP 1 Excluded from automatic downgrading and declassification

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## 5. Department of Commerce Representation on the EIC Subcommittee on Agriculture.

With the concurrence of the EIC, the Chairman extended an invitation to the Department of Commerce to participate in the work of the EIC Subcommittee on Agriculture. The U.S. Weather Bureau has designated Mr. David Smedley, Chief, Foreign Area Section, Office of Climatology as their representative on this Subcommittee.

### 6. US-USSR Exchange Program.

The EIC Subcommittee on Electronics and Telecommunications has agreed to act as technical advisor to the Interagency Intelligence Advisory Group on Exchanges on a proposal for a reciprocal exchange with the USSR in the field of communications.

# 7. EIC-R16-S4, "A Summary of the International Trade and Transport of Communist China."

This report will be disseminated to the community during the first week in September.

### 8. Revised Directory of EIC Personnel.

The directory will be disseminated by the Secretariat during early September.

### APPROVAL OF MINUTES:

The minutes of the EIC meeting of 10 July 1963 (EIC-M-100) were approved.

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# FUTURE REPORTING ON EIC-R16 SERIES, "ANNUAL SUMMARY OF THE INTERNATIONAL TRADE AND TRANSPORT OF COMMUNIST CHINA":

Members were asked to comment on the views of the Economic Research Area of ORR and of the Navy member, EIC, pertaining to the sections on shipping for the subject report, which had been circulated prior to the meeting.

The Chairman stated that ONI had made a strong case for continuation of the transport section in the R16 series. He felt, however, that ORR could not provide the detailed information on chartering as they have in the past. The Department of the Navy representative stated that ONI was prepared to assume responsibility for preparing the chartering section of the report and also the portion dealing with the growth of China's merchant fleet, and if necessary, ONI would be willing to eliminate the text covering utilization rates of non-Chinese ships in the China trade. These measures would substantially reduce the CIA's contribution to the report.

The Chairman stated that he appreciated the constructive position taken by Navy and that this course would be followed, the details of implementation to be worked out within the EIC Subcommittee on Transportation. The EIC members concurred.

### CONSIDERATION OF ANNUAL REPORT TO THE USIB OF THE EIC:

No substantive changes were proposed and the report was approved for forwarding to the USIB.

### FORMAT FOR COVER OF EIC PUBLICATIONS:

The Department of State representative stated that the covers of EIC publications might be revised to better identify the Economic Intelligence Committee.

It was proposed and accepted that:

"Economic Intelligence Report" would be deleted;

"of the USIB" would be added after Economic Intelligence Committee:

the composition of the Committee would be listed on the overleaf.

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It was also proposed and accepted that the Foreword to the Semiannual Reports would be included in the separately published Summary as well as in the full report.

# CONSIDERATION OF EIC-R14-S15, "SINO-SOVIET BLOC ECONOMIC ACTIVITIES IN NON-COMMUNIST UNDERDEVELOPED AREAS, 1 JANUARY - 30 JUNE 1963":

The report was reviewed on a page-by-page basis and several changes were proposed and accepted. The DIA representative stated they had reservations with regard to Table 11 which would be coordinated with the Working Group by the end of the week. The report was approved by the Committee for issuance, subject to incorporation of revisions which would be agreed upon within the Working Group.

The Chairman reported that CIA expects the successful introduction of the information of Bloc credits and grants to underdeveloped countries by project into the computer and that this information will be kept current and available for print-out not only for use semi-annually but also by whatever sorting desired by the requestor.

The Chairman commended the Working Group for preparing an excellent report.

## CONSIDERATION OF FUTURE SEMIANNUAL REPORTING:

## 1. Proposal for Abbreviated Version of February Issue.

The Chairman referred to the proposed modifications for semi-annual reporting. Discussion followed and members agreed that an abbreviated version will be issued in February 1964. This issue will be of the composition and scope of the present summary, expanded to include all significant developments in individual countries, and will include all statistical tables. It will be noted in the Foreword that the information contained in the February issue includes only significant developments for the reporting period and updates the previous semi-annual report.

The State Department representative stated that, in view of this decision, the field instruction for reporting should be revised. Following discussion, the State Department representative stated that he would request the Economic Reporting Office to draft an instruction for field reporting, both for an abbreviated and an annual version, for Working Group consideration.

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### 2. Change in Title of Publication.

The State Department representative suggested that consideration be given to changing the title of the semiannual and biweekly reports from Sino-Soviet Bloc Economic Activities in Non-Communist Underdeveloped Areas to Soviet Bloc and Communist Chinese Activities in Non-Communist Underdeveloped Areas.

The Chairman suggested, and the members agreed, that action on this matter be deferred and that the Working Group be instructed to prepare a proposal, indicating problems encountered or associated with a change in title of the publications, for EIC consideration prior to publication of the next semiannual report.

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Executive Secretary

### SECRETARY'S NOTE:

EIC members approved, by telephone interim action on 9 August 1963, release of EIC-SR5-S3, "Population of the Countries of the Sino-Soviet Bloc and of Cuba and Yugoslavia, Selected Years, 1938-80"

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